

Ralph Beswick - Surveys and Marine  
Land Management Division  
Jerry Otto - Port Orchard

July 31, 1970

App. #2141 - Harbor Area

During the inspection of Application #2141 by John B. Verhelst, 4310 Kitsap Way, Bremerton, Washington, 98310, to re-lease the harbor area described in the attached Report of Engineer, several facts were discovered. I'd like to make you aware of these before I make a recommendation as to whether or not the re-lease should be made.

Mr. Verhelst, Lessee in the above described lease, has been in control of the lease area for about the past 11 years. He acquired the lease when he purchased the uplands adjacent to the subject lease. These lands and the original lease were previously owned and controlled by the Western Gas Co.

The Western Gas Company had built a dock for receiving materials they used in their production work. Since they sold out to Mr. Verhelst there has been no further improvements on the harbor area or the uplands.

Adjacent to Mr. Verhelst's upland ownership, is located the Bremerton Marine Service. This local business has been operating since 1950 and provides moorage space for boats in the Bremerton Area. Mr. Vern Carey of 1805 Thompson Drive, Bremerton, is the owner and operator.

Mr. Carey has tried to lease the harbor area adjacent to his but has not been able to since Mr. Verhelst has had it tied up.

While talking to Mr. Carey he said he wants the adjacent harbor area to expand his moorages. He is ready, financially, to provide 60 to 70 more spaces and increase his motor repair service.

Bremerton has little space for mooring boats. The area on Sinclair Inlet is now full and further development is not likely because of the large waves produced from frequent ferry and ship travel.

Since Mr. Verhelst has hung onto this area, possibly for speculation purposes, and has made no improvements on it, I'd like to see the application to re-lease refused. The annual rental paid thus far by Mr. Verhelst has been \$120.00. If this lease was given to the Bremerton Marine Service improvements would be made and therefore the State of Washington would be able to greatly increase its lease fee. Another favorable item consequent to this change would be that the high number of boating enthusiasts in the Bremerton area would receive well needed moorage services.

If this approach is not used I would then recommend an annual lease fee, on the subject harbor area, to be in the \$800.00 to \$900.00 per year area. Mr. Verhelst is, by reputation, amply able to develop this area. It is our belief that he has held onto this lease for speculation purposes. Being under the jurisdiction of the State of Washington it should be our place to speculate for the purpose of increased revenue for this state.

I will hold up this application inspection until I receive a reply.

Thanks .

JO:meh  
cc: Norm Hansen  
Encl.